



U.S. Development Group

229336

Honorable Dan Elliott  
Chairman  
Surface Transportation Board  
395 E Street, SW  
Suite 1220  
Washington, DC 20423-0001

Dear Chairman Elliott:

*Ex Parte 705*

At this critical stage of our country's economy, job creation through private investment must be encouraged. North America's freight railroads stand ready to invest more than \$12 billion this year to improve and maintain critical rail infrastructure. This investment would create tens of thousands of new jobs, as each \$1 billion invested in rail infrastructure supports 20,000 jobs.

The regulatory framework for North America's freight railroads has long been reasonable and predictable. Any action taken by the Surface Transportation Board to re-regulate railroads would turn the clock back to an era in which railroads were unwilling to invest the necessary capital to keep North America's rail infrastructure safe and efficient. Any discouragement of private investment by the STB would be very counterproductive and would have a strongly negative impact on the American economy, and especially on America's working families.

Accordingly, our company, US Development Group LLC, strongly supports a resilient and modern freight railroad network across the nation and a reasonable regulatory environment for railroads. We therefore oppose any re-regulation of railroads.

Please consider these comments in conjunction with the STB railroad competition hearing (Docket # EP 705) scheduled for June 22, 2011.

We appreciate your consideration of these concerns, and hope the Board will work to ensure a healthy freight rail network that continues to provide a true public benefit to our nation.

Sincerely,

Daniel K. Borgen  
President and CEO  
US Development Group LLC